

Individualism

versus

Socialism

By D. C. McTAVISH

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INDIVIDUALISM

versus

SOCIALISM

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D. C. McTAVISH



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*Dedicated to all those who are
interested in the attainment of
Social Equality and Economic
Freedom.*

PREFACE

THIS treatise is written under the conviction of the advisability of presenting in as concise a form as possible the great fundamental facts and principles upon which are reared; not only the material and physical, but the moral and spiritual well-being of humanity.

I am reasonably convinced that this dissertation makes clear to any person of ordinary-perspicacity, not only the social and economic causes, but the cure of such abhorrent phenomena as war, unemployment, and kindred abominations; a problem, the solution of which constitutes the challenge of the centuries, not only to our western civilization, but to the Christian Church throughout the world.

D. C. McTAVISH.

Telfordville, Alberta,
September, 1938.

CONTENTS

CHAPTER	PAGE
I. <i>Obscuration re Individualism</i>	7
II. <i>Ethics and Economics in perfect agreement</i>	9
III. <i>Technical aberration in Progress and Poverty re the concept of property as applied to Land</i>	12
IV. <i>The influence of Progress and Poverty</i>	14
V. <i>The Cultural Heritage</i>	15
VI. <i>The unearned increment in the products of Labor and relief of real estate from taxation</i>	17
VII. <i>Land, the physical basis of civilization and the "usehold tenure"</i>	19
VIII. <i>The bugaboo of over-production and kindred delusions</i>	21
IX. <i>The economic cause of War and the Universality and Harmony of Natural Law</i>	22
X. <i>The relative and fundamental importance of land in all stages of industrial development</i>	24
XI. <i>The gravitation of Economics</i>	28
XII. <i>The Minimum Wage and profit-motive</i>	30
XIII. <i>Ethics of the slogan—"To each one according to his need, and from each one according to his ability"—examined</i>	32
XIV. <i>Is the Machine to blame?</i>	33
XV. <i>Does Rent enter into Price, or do wages determine the cost of production?</i>	34
XVI. <i>The contribution of an atheistic Socialism to the solution of the problem, versus the contribution of a Christian Socialism on an individualistic basis</i> ..	37
XVII. <i>Further vagaries and monstrosities</i>	39
XVIII. <i>John Spargo's renunciation of Socialism</i>	40
XIX. <i>Max Eastman re the Russian experiment and the question of Sovereignty</i>	41
XX. <i>True sovereignty: where located, with conclusion</i>	42

Individualism *versus* Socialism

CHAPTER I

Obscuration re Individualism

Within the arena of economic controversy, and in the presence of the greatest challenge that has confronted civilization within the past fifteen centuries, there are, perhaps, no terms more frequently in contrast with each other than Individualism on the one hand and Socialism and Communism on the other. Yet a singular obscuration exists in the minds of many as to the line of demarcation between these opposing philosophies, as well as to where they almost imperceptibly shade into each other.

We have been told ("The Industrial Revolution" by Arnold Toynbee) that the promulgation of Ricardo's Law of Rent was the signal for the appearance of two works on Socialism: the one, *Das Kapital* by Karl Marx, and the other, *Progress and Poverty* by Henry George. The inclusion of these two fundamentally antithetical treatises within the same category of economic philosophies is an evidence of the obscuration to which reference has been made.

Another instance of this obscuration appeared sometime ago when a columnist of one of our leading Canadian papers in referring to the proposed land legislation of the Hon. Philip Snowden, while Chancellor of the British Exchequer, remarked, in reference to the Speech from the Throne, that it was the first time in history in which a British Minister had recommended a programme of Communism to the British Parliament.

But there are two types of Individualism, and these two types operate in precisely opposite directions; and this opposition is due, not so much to any inherent adverse tendencies in Individualism *per se*, but rather to the nature of the bases upon which industrial activities and economic forces rest and operate within these two respective spheres.

These types of Individualism we have exemplified in the Hebrew economy as compared or contrasted with the Roman economy. The Hebrew economy rested upon the recognition of the Lord, the Creator of heaven and earth as the sole and only proprietor of the land and natural resources of the country. The conception of property in Land was entirely alien to their social and economic philosophy. The land is always referred to, not as their "property," but as the land of their "possession," or the "land which the Lord thy God giveth thee to possess."

The ancient Hebrews were planted in their land in a body. The head of every family received his allotment or portion. This individualistic arrangement was supplemented by the prohibition of sale, as per Lev. 25:23: "The land shall not be sold forever"; and provision for its redemption in case of temporary alienation or ultimate recovery, free of all incumbrance, in the year of Jubilee. Thus the individualism of the Hebrew economy secured to every Hebrew his economic equality, freedom, and independence to the end of time.

In contradistinction to this equality of opportunity with reference to land and natural resources, the Roman economy developed the right of private property in land, until within six hundred years from the founding of the city, most of the land of Italy had passed into the hands of two thousand persons (Gen. Hist., Myers, p.249) and the great mass of the Roman people had become the tenants and slaves of the favored few who were the proprietors of the soil. And as our own western civilization has inherited the Roman economy, this irresistible tendency and inevitable result has its modern exemplification in the portentous fact that, by the census of 1900, one fourth of the cultivatable land of the United States was owned by 47,000 persons (Amer. Hist., Prof. Muzzey, p. 598).

It is the failure or inability to perceive the basis and origin of these opposing tendencies in the economic philosophy of Individualism, that has driven a large portion of the thinking world into the arms of Karl Marx with his atheistic Socialism.

It is this fact also that is responsible for the infliction upon the arena of economic controversy in these modern days of many a dissertation upon the alleged failings of Individualism, as well as many a diatribe upon the presumed evils of a "*laissez faire*" economic philosophy.

CHAPTER II

Ethics and Economics in perfect agreement, and the True Basis of Property

There is no conflict between Ethics and Economics, any more than there is any antagonism between a true Science and a true Religion. Every fact of a true Science is one of God's facts. Every impulse of a true Religion is a fact of the same God. How can there be any conflict between these two sets of facts?

Our estimate, therefore, or appraisal of the validity of any social and economic philosophy will be founded in its consonance and agreement with those eternal principles of Justice and Righteousness which underlie, and which are inseparable from the well-being of human society.

If we believe that "Every scripture inspired of God is also profitable for teaching, for reproof, for correction, for instruction which is in righteousness," we will find in these oracles an infallible standard by which to judge the character and nature of all social and economic philosophies. "Search the Scriptures, for in them ye think, ye have eternal life and they are they which testify of me." "I love the people" said Henry George, "hence I was led to Christ." Henry George said a recent writer in "Land and Freedom," was not primarily interested in a fiscal system. He was interested in Justice. And in so far as his apprehension of this concept was correct and complete, and in so far as he sought its concrete realization in social and economic relations, his teaching is in perfect consonance with the pronouncement of the prophet Micah (6:8): "He hath shewed thee, O man, what is good: and what doth the Lord require of thee, but to do justly, and to love mercy, and to walk humbly with thy God," where the doing of Justice is the prime requisite of acceptance with God.

Now, the Kingdom of God, as propounded by Jesus, was not only the perfect analogue, it was also the perfect antecedent of the holy city, the New Jerusalem, which the seer of Revelation saw coming down from God out of heaven, prepared as a bride adorned for her husband, thus indicating, if the simile is correct, its applicability and relationship to this present stage of existence, not to that which is beyond, where they neither marry nor are given in marriage. And so the Great Master has taught us to pray, "Thy will be done in earth as it is in heaven." The Greek looked for the "Islands of the Blest," the Buddhist to Nirvana, as the embodiment or realization of the perfect life. But the seer of Revelation, inspired by the Spirit of Christ, finds the framework of the ideal and perfect life in the city, the great converging centre of all social, economic, religious and spiritual activities, where human life is at its intensest; and in so doing he has indicated for all time the true area which the Spirit of Christ was designed to inhabit in the establishment of the Kingdom of God among men. As a great writer (Henry Drummond) has said, in effect, without the relationship of master and servant,

of debtor and creditor, of employer and employee, of husband and wife, there is no such a thing as Christianity.

We have already noted the individualistic basis of the Hebrew economy as given by Moses. So when Nicodemus came to Jesus by night, He propounded to him the basic principle of His Kingdom, "Except a man be born again, he cannot see the Kingdom of God." This was an individualistic proposition. And it is only through the regeneration of the individual that the regeneration, the redemption, and salvation of human society is to be effected.

And this regeneration means life, which, according to Henry Drummond, is simply a condition of correspondence with one's environment. Therefore, that abundant life which Jesus declared to be the objective of His mission is simply perfection of correspondence between the spiritual nature of every man and its spiritual environment: the Infinite and Eternal One, in whom he lives, moves, and has his being. And what obtains in the spiritual and moral, obtains also in the natural and physical universe; for it was the individualistic basis of the Mosaic economy, and its equality of opportunity with reference to natural resources, that gave to every member of the Israelitish commonwealth that perfect correspondence between himself and his physical environment, which made possible to him that abundant life which the Creator intended he should have; and upon this fact of economic equality and social justice alone can be reared an enduring civilization, for had Joshua, upon the conquest of Canaan, divided it among two or three hundred of his favorites, he would have anticipated the economy of Rome and introduced into the Commonwealth of the confederate tribes the germ of the same disease, which brought about in the third and fourth centuries A.D. the calamitous collapse of the mightiest empire of its time. But, that the Hebrew people did not escape the virus and contagion of the disease of private property in land is apparent in the spoliation of the later Kings of Judah and Israel, of which the case of Naboth's vineyard is one of the most notable and atrocious on record.

In an issue of *Land and Freedom* some three or four years ago, the editor quotes from what he refers to, as the source of all Christian Religion, among other quotations thus: "In the beginning God created the heaven and the earth." (Gen. 1:1.) "The sea is his, and he made it, and his hands formed the dry land." (Ps. 95:5.) "The heaven, even the heavens, are the Lord's, but the earth hath he given to the children of men." (Ps. 115:16.) "The earth is the Lord's, and the fullness thereof: the world, and they that dwell therein." (Ps. 24:1.) With reference to the import of Ps. 95:6, the Commentator observes, "Creatorship affords the highest and most valid claim to Proprietorship and Sovereignty." And similarly with reference to Ps. 24:1, "The Divine Proprietorship of the world is based on the act of creation." And again, "The fee simple is not with the lord of the manor, nor with the freeholder, but with the Creator." So in perfect consonance with these pronouncements, we have Henry George in his "Science of Political Economy" (Bk. 4, c. 6)

quoting with approval from John Stuart Mill: "Nothing is implied in property, but the right of each to his or her own faculties." And again: "the essential principle of property being to assure to all persons what they have produced by their labor, this principle cannot apply to what is not the product of labor, the raw material of the earth." Thus we arrive at the ethical basis of property; for as the proprietary right of the Creator attached to His workmanship, or the work of His hands, so also the right of property, as between man and man, attaches only to the products of their labor.

And thus the claim on the part of any man, or community of men, to a proprietary right in land, or the natural resources of a country is proved to be invalid.

CHAPTER III

Technical aberration in Progress and Poverty re the concept of property as applied to Land

The true basis of property being thus established, as ascertained in the preceding chapter, it would appear to be a technical aberration on the part of Henry George, when in prescribing the true remedy (P. and P., Bk. 6, C. 2) he writes: "We must make land common property." For the use of the expression "common property" in connection with land is a defect of terminology which plays into the hands of Communists and others, who, because of being habituated from time immemorial to the concept of property as attaching to land, are unable to perceive that the alternative to private property in land, according to Henry George's philosophy, is not public property or governmental ownership, but the elimination of property in land as far as human society is concerned.

Perhaps also, the frequent, almost persistent use of the word "private" in this connection has tended to obscure the issue as between private and public property. Had the great economist written, "We must abolish property in land," the expression would be criticism—proof. A simple illustration will make this plain.

The abolitionist in the United States eighty or one hundred years ago, who would treat the question of Slavery from a purely economic point of view, would refer to it as private property in human beings, this being the aspect which presented itself to his mind at the time. Would any reviewer of such a treatise be justified in asserting that public property or governmental ownership was the alternative suggested by its author? So also, in the Proclamation of Emancipation by Abraham Lincoln, the abolition of slavery was simply the elimination of property in human beings, as far as human society was concerned, without any possible alternative as between private and public property.

Similarly with respect to Land, the ethical principle upon which Henry George condemned private property in land condemned public property in land also, for this principle recognized the right of property in land or natural resources as being vested only in the Creator.

Now, the essence of property from a *legal* point of view is the power of sale. What cannot be bought or sold is not property; the essence of property from an *economic* point of view is the existence of a capital value. What has no capital value has nothing upon which to base a sale; while the essence of property from an *ethical* point of view is based upon the right which every human being has to the exercise of his or her powers and faculties of mind and body. So by making economic rent the sole basis of taxation and measure of public revenues, we are precluding the possibility of the capitalization of the annual rental values of Land, so that land apart from

improvements will have no capital value and therefore can never be bought nor sold.

In this fact we recognize the eternally true principle which underlay the Mosaic economy—"The land shall not be sold forever." It had no capital value. It could not be bought or sold and was held upon the securest tenure possible; for, paradoxical though it may seem, it was because the Hebrew's land was not his property that he never could lose it, even as on the other hand, and paradoxical also though it may seem, it was because the Roman's land was his property and had a capital value, or the possibility of a capital value, that he was exposed to the possibility of loss, a possibility which was realized when Tiberius Gracchus said to the men of Rome, "You are called the lords of the world, yet you have no right to a square foot of its soil, the wild beasts have their dens but the soldiers of Italy have only water and air" (P. and P., p. 379).

And thus appears the important and significant distinction between *property in land* and *possession of land*, and also the equally significant fact that these two concepts or facts, so far from being essential to one another, are, on the contrary, quite inimical to each other. For a tenure based upon *property in land* is a speculative tenure, while a tenure based upon the *possession of land* is a non-speculative tenure, and effectively precludes the adverse possibility of all the land of a country passing into the hands of a few, to the impoverishment of the great mass of the people.

CHAPTER IV

The influence of Progress and Poverty

In the parental home of the writer during his early manhood days there was a large and well-illustrated History of the World, which was perused from cover to cover. And in the study of this book, the fact in modern history which focussed my attention above all others was the French Revolution. This phenomenon, I dimly perceived to be due to a cleavage which had taken place between the classes and the masses of the French people; and for many a month as I followed the plow and the harrow over that old farm, I pondered over this fact, until I came to the conclusion that periodic upheavals of this kind were inevitable in our civilization. While in this state of mind a copy of Adam Smith's Wealth of Nations came into our home. I plodded laboriously through it, taking about two years in its perusal, my time being limited to the long winter evenings after the chores were done.

But I found no rest for my soul. And notwithstanding the worthy characterization, by Henry George of The Wealth of Nations, as being the great landmark in the history of Political Economy, the problem remained unsolved. Then somewhat later, and from the same direction that the Wealth of Nations had come, I received a copy of Progress and Poverty. I had not read this book half way through, when the primal and fundamental importance of the relation of human society to land, dawned upon my mind with a perfect clearness, and with a conviction which the study of all available literature on the subject during the past thirty years has served only to confirm and strengthen.

Respecting Henry George, I may say in passing that Prof. John Dewey of Columbia University, New York, has observed: "It would require less than the fingers of the two hands, to enumerate those who, from Plato down, rank with Henry George among the world's social philosophers. No man, no graduate of a higher educational institution, has any right to regard himself as an educated man in social thought, unless he has a first hand acquaintance with the theoretical contribution of this great American thinker."

CHAPTER V

The Cultural Heritage

We hear much in these modern days, and from certain quarters, of the so-called "cultural heritage," the existence of an unearned increment in other things as well as land, the conception of land as merely the physical or rather primeval basis upon which our material civilization rests; the doubtful potency of dealing with the land question as a solution of our economic difficulties, the problem of over-production, demands for a minimum wage, the denunciation of the "profit motive," and of the machine as the sinister factor in unemployment.

Let us deal with these as we may, and somewhat in the order presented. With respect to the "cultural heritage" and its relation to the land question, a simple illustration will bring out the salient features of this relation in the boldest relief. At the country cross-roads, where the writer received his public school education, across the main road from the school house there lived a farmer and his wife. They were a childless pair. And in those early days, this farmer declaimed long and loud against the injustice of having to pay school taxes to educate other men's children. But when he came to retire from farming, he did not forget to insert in his advertisement of sale that there was a school house across the corner. And that school, with the system of education for which it stood, represented the "cultural heritage" of the centuries, the arithmetic of Babylon, the geometry of Egypt, the philosophy of Greece, and the jurisprudence of Rome. And this cultural heritage was registered with mathematical precision and accuracy in terms of economic value, only in the annual rental value of this farmer's land; for this enhancement did not attach to anything which was the product of his labor or industry, such as his house, or barns, or fences, or drains. And this value he capitalized when he sold his farm. Had his school taxes, therefore, been levied on this annual rental value, he would simply have been paying to the school district his just dues, based upon value received; and these just dues as far as mere monetary value, in connection with public revenue is concerned, are ascertainable and collectible at this point with an accuracy and ease which exists no where else.

Yet it will be alleged that the entire system of education, of which the school house is but an indication, tended to increase the value of all property, real and personal, which the farmer possessed. Now the influence in the cultural heritage, represented by the school, which enhanced the rental value of his land, tended at the same time to render his labor more efficient, to lessen the cost of producing and procuring every desired form of wealth. But this very fact, the lowering of the cost or value of every incident of his wealth, would tend most strongly to the increase of his wealth in the aggregate.

The fact that building material, fencing material, and draining material were less expensive would enable him to build larger and better houses and barns, to put up more and better fences, to extend and render his system of drainage more efficient. But, provided that there were no obstacles to the production, exchange, and distribution of wealth, in the shape of tariffs, unjust taxes or other imposts which penalize industry, there would be no unearned increment in this increased wealth of the farmer. For it was all the just and legitimate reward of his industry, the increment to his labor of mind and body, plus the increment to his invested capital, and quite different in its nature and character from any increment which would accrue, and which did accrue to the farmer when he sold his farm and capitalized its economic rent. To place these two types of value in the same category is simply, therefore, to confuse and becloud the issue.

But the influence, actual and potential, of the cultural heritage in producing these results is subjective as well as objective, that is, it inheres in the farmer's capacity for producing wealth, as well as in those things which are external to himself, a pair of shoes, for instance, to which I shall refer for the purpose of shewing the source and basis of the unearned increment in the products of labor under existing conditions, and its possible elimination.

CHAPTER VI

The unearned increment in the products of Labor and relief of real estate from taxation

With respect to the alleged unearned increment in the products of human industry, under existing conditions, everything that enters into the construction of a pair of shoes is taxed. The leather, the dye, the pegs, the hammer, the knives, etc., under our present policy of protective tariffs, are taxed for the benefit of those of whom each of these is the finished product.

And every one of these taxes, or imposts, increases the margin of speculative value, and provides the basis of the unearned increment in each. The remission, therefore, of all these innumerable levies which penalize industry, which remission is the necessary counterpart of the absorption of the entire annual rental value of land, the economic rent, for purposes of public revenues, will mean the elimination of the unearned increment in all such products of human industry.

The elimination, therefore, of the unearned increment in land is *pro tanto* the elimination of the unearned increment in everything else.

An incident from Ida M. Tarbell's "Tariff in Our Times" will indicate the source of this unearned increment in the products of human industry, and point out, in large measure, the possibility of its removal. Some forty-five years ago, when the use of quinine was much in vogue throughout the Western States, three or four companies, which were privileged to bring in their cinchona bark free of duty, were making fortunes behind a 40 per cent duty on the finished product. The article was retailed at \$4.75 per ounce. When the public became apprised of the extortion, a fierce agitation arose which resulted in the removal of the obnoxious duty, after which in due course the retail price of the drug fell to 21 cents. The difference between \$4.75 and 21 cents (\$4.54) was, therefore, the unearned increment, and its source and removal is perfectly apparent.

And in connection with the present day clamor for the relief of real estate from taxation, and with respect to any distinction between real and personal property which may exist in the minds of those who are making these demands, if, by real estate they mean houses, buildings, or anything which is the product of human industry, these demands are perfectly right; but so far as it refers to land, or land values, such demands are perfectly wrong. For in no other way can labor be emancipated from the tyranny of the present so-called, or rather mis-called, capitalistic system than by the

abolition of all tariffs, taxes, direct and indirect, and other restrictions which penalize industry.

If an able-bodied young man were required to carry a load of 100 pounds across a street, if he placed it on his shoulder, where nature intended it to be put, he would accomplish his task with perfect ease. But if, under the influence of some fatuity, he should divide his burden into five parts, placing one part on his shoulder and tying the other four parts around his ankles and wrists, what a spectacle would he present? And similarly in the realm of finance and taxation, how loudly do the beneficiaries of special privilege denounce the imposition of the only portion of the public revenue which is properly adjusted.

CHAPTER VII

Land, the physical basis of civilization and the usehold tenure.

But we are told that, with respect to our present day civilization, land is merely the physical or rather "primeval" basis upon which our material civilization rests. As well might we base the building of our transcontinental railways, or the Panama Canal, or any period of prosperity which we, in this continent, have enjoyed during the past hundred years upon the discovery of America by Columbus.

If it were not true that we live from hand to mouth, that if production were to cease for six months, the human family would die of starvation, that we live not on the stores of the past, but on the products of the present, that civilization like Frederick the Great's army moves like a serpent upon its belly—then there would be some excuse for the notion of land being the basis of our civilization in a primeval rather than a physical sense.

There are but few forms of wealth which admit of storage from one generation to another, such as the Pyramids of Egypt, the stores of gold in the vaults of the Bank of England and the Treasury at Washington. But these things are neither food nor raiment, and the tables of the King and millionaire are provided, not from the stores of the past, but from the products of the present.

And perfect equality of opportunity on the part of all men, with perfect freedom of access to Nature's great storehouse, our land/or natural resources, are as imperative necessities today, in the industrial society of a machine age, as they have been in any period of the past, or ever shall be to the end of time.

Again the recommendation or proposal to deal with our unalienated lands on the basis of the "usehold tenure" has been regarded as of "doubtful potency" in the resolving of our economic difficulties.

When the prophet Elisha prescribed a wash in Jordan to the mighty Naaman as a cure for his leprosy, the remedy seemed so contemptible that he turned away in a rage. But when he came to himself and did as he was told, all doubt about the potency of the prescription vanished in the efficacy of a perfect cure. So in the realm of economics, any prescription which is in perfect consonance with those eternal principles of Justice and Righteousness, upon which is reared the well being of human society, is never of "doubtful potency."

And the usehold tenure is not only ideally perfect—it is ethically correct.

While it requires on the part of the holder, simply the payment of the annual rental value of the land, apart from all improvements,

in this, it precludes the possibility, as well as the necessity of a land mortgage, *the root bane of our civilization.*

This method of holding land also secures absolute security of possession, as far as such is attainable, upon the payment of this annual rental, which will be very small in initial cases. It also most effectively forestalls that atrocious exploitation of our natural resources, of which our country and our people have been the victims during the past fifty years. It also secures to the occupier of the soil the full returns to his toil, in his immunity from all other forms of taxation, save only in so far as these returns are prejudicially affected by sinister federal legislation.

CHAPTER VIII

The bugaboo of over-production and kindred delusions

In the further prosecution of these inquiries we are confronted by the bugaboo of over-production. We are told that "we raise more agricultural products than we are able to consume or sell to others." In this statement is revealed a fatal rift in much of the present day economic thinking. Are there no hungry and half clad men, women and children in this continent? If the fifteen millions of people on this continent who have been living on the edge of starvation for the past seven or eight years had all they could eat and wear, how much excess of agricultural, or any other products would there be? And whence arises this disability, this lack of purchasing power, about which we hear so much in our present day discussion on the part of these disinherited?

A man is not rich because he has money, but he has money because he is rich. A man is not poor because he has no money, but he has no money because he is poor. The essential distinction, therefore, between poverty and riches, between purchasing power and the lack of purchasing power, exists in circumstances and conditions which are antecedent to the very existence and function of money.

Neither does the final arbitrament rest with Capital. A friend of the writer asked a socialist sometime ago this question—If you had all the capital in the world, and I owned all the land, what could you do? He could only do two things. He could eat all that was edible, and wear all that was wearable of his capital, and then lie down and die. For he could lift neither hand nor foot, save at the option and sufferance of the owner of the land.

So when, in the Antipodes some time ago, Major Douglas was asked ten questions, the last of which was: If I owned all the land of a country, and you had all the social credit, money, etc., and I gave you notice to quit or leave, what could you do? The problem, therefore, of over-production versus under-consumption, or purchasing power versus lack of purchasing power, finds its solution in the relation of human society to the land upon which all its members must live.

CHAPTER IX

The economic cause of War, and the Universality and Harmony of Natural Law.

The question involved in the words, "sell to others," which of course, means the people of other nations, leads to the same conclusion. Whence this presumed advantage of being able to sell to others, this glorification of exports, which considered in themselves, apart from imports, are but a loss, or subtraction from the wealth of any country.

Is not the prevailing tendency of the fiscal policy of all the nations of the world, under the dominance of protective policies, to reduce imports to the lowest point possible, and thus compel us to receive in return as little as possible for our exports?

Is not this an illustration par excellence of a perverted psychology and the very negation of all rational thinking?

But whence arises this selling complex? We have already referred to a land mortgage as the "root-bane of our civilization."

Now the man who has no mortgage on his land, can live through any depression, while seed-time and harvest remain. But the man whose land is mortgaged has to sell that, for which he gets nothing in return. He must export without importing. Hence the selling complex, this dire necessity for selling with its corresponding loss of purchasing power, this sinister phenomenon which would have no existence in a civilization which was based on social justice and economic equality. And this selling complex, welling up in the consciousness of ten millions or a hundred millions of people causes the nations to go to war, to their mutual destruction, over markets. And thus the two bugaboos, over-production and the lack of markets, when traced to their origin, converge on the land question; and the land mortgage is primarily and fundamentally the economic cause of both unemployment and war.

When Sir Isaac Newton lay or sat under the legendary apple tree, some two hundred years ago, and saw the apple fall to the ground, he mulled the phenomenon over in his mind, until he grasped the workings of a law, which enabled later mathematicians to calculate the distance of this earth from its parent orb, the sun, more accurately than ever before; to predict for months before, how high the tides shall rise on earth's remotest shore; and later astronomers to calculate the weight of Jupiter or any of the heavenly bodies.

But the relation between a land mortgage and unemployment and war, is not less real and intimate in the social and economic realm, than the relation of the falling of an apple from its parent

stem is to the distance of the sun, the height of the tides, and the weight of Jupiter in the physical universe.

What a delectable experience to every truly scientific and philosophic mind is the apprehension of the universality and harmony of Natural Law.

With this guiding star before him, every true scientist launches forth upon the ocean of undiscovered knowledge and truth, to find that "All are but parts of one stupendous whole, whose body Nature is and God the soul"—(Essay on Man by Alexander Pope, Ep. 1). And how marvellously apparent is this great truth in our Lord's parables! And how tremendous and portentous are the social and economic implications involved in His words (Matt. 21:44), "And whosoever shall fall upon this stone shall be broken, but on whomsoever it shall fall, it will grind him to powder." And this is the epitaph of every past civilization.

CHAPTER X

The relative and fundamental importance of land in all stages of industrial development.

There are those who tell us, that this conception of the supreme importance of land was valid during the feudal period and even during the early days of capitalism, but that it is completely invalid in the modern machine and power age.

That this is an illusion, the illusion of minds whose capacity for concentrated, critical, analytical, and synthetic thinking has been overwhelmed, confused, and hypnotized by the very multiplicity of the incidents, intricacies, and complexities of the machine age, will, I think, be fully demonstrated, beyond any possibility of successful controversion, by the following illustrations, which cover every phase of industrial development, from the suburbs of civilization to our great metropolitan centres.

And in passing to these illustrations, it is interesting to note by the way that Mr. Henry Ford, one of our greatest industrialists, does not seem to harbor any such illusions, for he recognizes in his recent economic pronouncements, the ever-persistent relative importance of land with respect to every item and article in his processes of mass production.

Some thirty years ago, when all the mining claims of the Klondyke had been absorbed by one great mining corporation which was paying its men from three to four dollars a day when it cost five dollars a day to live, a serious unemployment problem arose, owing to the presence of some three thousand men who were out of work. At this juncture some one discovered down at the ocean's edge, between high water mark and low water mark, a body of gold of such quality that a man with a pick and shovel could make from \$10.00 to \$15.00 a day. This area was divided among the unemployed, giving to each man a width of fifteen feet, and the men went to work with these results. When the employees of the mining company heard of these results, they threw down their tools and refused further work, with the result that their wages were immediately raised to \$10.00 a day.

Now the determinant factor in the establishment of this equilibrium between Labor and Capital was simply access to natural opportunities, or land on the part of every one of these men. Had a representative of the capitalistic corporation made this discovery and secured a patent, there would have been no rise in wages.

Let us take another illustration. After the South African War a serious unemployment arose. The Administrator Colonel, who was in charge of public affairs at the time, solved the problem by opening the public lands to the unemployed. But what was the reaction? The manufacturers of South Africa raised an agitation to

have these lands closed, for they could not get anyone to work for them for less than £1 a day. The inference again is plain and irresistible, that access to natural opportunities or Land determined the wages of every employee in that country.

Let us find our third illustration in one of the centres of our population. During the student days, of the writer, in Toronto, a city at that time of 400,000 people, shortly after entering upon our Honor Course in Political Science, our Associate Professor announced that the next Thursday he would give a lecture on Henry George and Progress and Poverty. In the course of his lecture, he said, "If we had this system in this city there would be so many houses spring up on the vacant lots that there would not be land enough left for lawns."

At that time, one of the crying needs of the city was houses and homes for its artisans.

Yet this pretender to science was urging as an objection the highest compliment possible. For right well did he know, that if 5000 men were out of work at that time, they would be instantly provided with the wherewithal to build houses on the vacant lots. And while such provision would be made, ostensibly by the capitalist, it would be really by the landlord, these two being in such cases, usually one and the same person.

Now in this case, every square foot of land in the city would be immediately thrown into use, the unoccupied to a use entirely new, and the occupied to a more intensive use. For the complete appropriation of the annual rental value of land apart from improvements for purposes of public revenue, together with the total abolition of all taxes on improvements, or anything which is the product of human industry, will not only force but facilitate improvements to the utmost extent possible, and establish that perfect equilibrium between Labor and Capital which is attainable in no other way.

For the conflict, which rages between Labor and Capital, under existing conditions, is not due to any inherent antagonism between these two active factors in production, but is due principally to the abnormal relation in which the two active factors stand, in our present day civilization, to land, which is the passive factor in the production of all wealth.

Now, if anything further is required by way of illustration to demonstrate the utter invalidity of the contention that land is of relatively less importance in our present day machine age civilization as compared with the days of early capitalism, or the feudal period, it can be found in the calculation and contemplation of the millions and billions of dollars, wrongly regarded as interest, but really rent, which are continually being drained under existing conditions into the coffers of mortgage companies, real estate syndicates, and capitalistic corporations.

For it is in this fact, the diversion of economic rent into private channels, and its consequent capitalization, that capital gets its stranglehold on civilization.

To this also we may add an estimate of the enormous sums which are extorted by landlords, in connection with slum clearances in England, prior to the undertaking of any operations in this direction.

Another consideration at this point will reinforce our argument. Some forty years ago, when British farmers were agitating for a duty on grain imported into the British Isles, it was pointed out to them, that such a duty would only benefit them temporarily, that is, until their leases expired.

For immediately upon the expiry of these, the demand for grain producing land remaining at the same degree of intensity, or possibly increasing, every advantage hitherto enjoyed by the tenant farmer in the increased price of his products would be absorbed by the increase in rent which the owner of the land would be able to demand from every tiller of the soil. In the meantime, also, the cost of living would be increased to everyone in the country, themselves among the rest, so that their plight, or condition behind a duty imposed ostensibly for their benefit, would be worse than before.

Such facts and considerations, presented in this connection, reveal the extent to which the iniquitous system of protection and property in land flank and buttress each other, and bring out in boldest relief what Richard Cobden saw so clearly, that the trade question ends in the land question. This presentation reveals, also, how utterly worthless is the allegation that free-trade has prejudicially affected the farming interests of the British Isles.

Such considerations again point irresistibly to the conclusion that the final arbitrament in industrial affairs, as has already been pointed out, remains with the proprietors of the soil, and is inherent in property in land.

Let us also note in reference to industrial affairs, that industry in this connection includes all kinds of production, primary as well as secondary, agriculture as well as manufacturing. It is a very superficial economy which distinguishes between the wages of the laborer and the salary of the Professor and Prime Minister, for these are both wages, and nothing but wages, in a truly scientific sense.

If the Agricultural Department of our Provincial University should evolve a brand of wheat of singular productiveness, and if the price of wheat should be greatly enhanced during a period of years, to whose benefit would these two auspicious circumstances ultimately accrue? While all classes would enjoy a temporary prosperity, the result would be an enormous rise in land values, which would ultimately accrue to the advantage of the proprietors of the

soil, in the shape of mortgage companies, real estate syndicates, and capitalistic corporations, together with the corresponding impoverishment of the landless class, as has been the case in every age of the world's history.

Who is there in the civilized world today that does not know that the land question was the source of the trouble between Italy and Ethiopia? With a few thousand of her citizens owning more of the land of Italy than all the rest of her forty millions, the demand or the necessity for land on the part of these disinherited, makes the source of her troubles perfectly apparent. And similarly with Japan in Manchuria, and so on *ad infinitum*.

Now in our insistence upon the fundamental importance of socializing the rent of land, and thus abolishing property in land, we are not ignoring the advisability of socializing all public utilities such as gas, water, railways, etc., and anything and everything which in its nature is a monopoly. But as a speaker at a recent U.F.A. Convention said, what avails the socialization of these, if *land* is not socialized? While he should have said "rent" instead of "land," his general conception was correct; for the irresistible tendency would be for the rent of land, if capitalized, to ultimately absorb the benefits which would arise from the socialization of these utilities.

CHAPTER XI

The gravitation of Economics

In the foregoing tendency we have the gravitation of economics. On a baseball diamond, the force which propels the ball from the arm of the thrower to the first base, is easily understood by the most unscientific onlooker. But the incalculably greater force which draws that ball to the ground, should the thrower relax his hold of it, was long a mystery to men, and is still a mystery to the uninitiated and unscientific mind. And the defect which I conceive to exist in much of the socialistic and social credit argumentation of the present day is perfectly analogous to that which would be apparent in the teachings of a Professor of Physics, who would endeavor to explain all physical phenomena, while ignoring, or denying the existence and operation of gravitation.

And at this point it is interesting to recall a pronouncement of Lenin, respecting the economic philosophy of Henry George, as reported in *Land and Freedom* (March and April, 1935). Lenin on the taxation of land values, thus: "The proper application of the Georgian taxation of land values is a tax upon the mentality of a people, beyond the capacity of a nation, not ten per cent of whom have learned to read. They can't understand it. They can only understand Socialism at present. Some day, with a higher average of intelligence, we may adopt the taxation of land values, and enjoy economic freedom, but not now."—Lenin as quoted by Raymond Robins, after an interview following the War, *The Globe-Democrat*, St. Louis, Jan. 27, 1934.

From an address given by Lord Snowden in London before the Woman's National Liberal Federation, we have a quotation which reads thus, "The subject, upon which I am to address you, is at the root of every social and economic question. We have innumerable organizations which are engaged in advocating specific social reforms—all most admirable. But they will all fail until the land question has first been settled. There is no economic or social question which is not at the bottom a land question.

"Land is essentially different from every other material property. It is from the land that all human needs are supplied, and if that original source is monopolized, if there are a few individuals who can control that supply, then they hold the destinies of the community in their hands."

Professor John Dewey of Columbia University, New York, one of the most eminent philosophers and educationists of the present day, advised President Roosevelt at the outset of his career, to take one per cent of the land values of the United States. Had he done so, he would have precluded the possibility of the people of the United States being mortgaged within the next ten, fifteen, or

twenty years to the extent of twenty-five or thirty billions of dollars. This would be striking as effectively at the root of the matter as Nehemiah did, when he cancelled the land mortgages (Neh. 5:1-12).

And in Edmonton today, the fundamental cause of unemployment is plain to anyone who will take the elevator to the top of the Tegler or the McLeod buildings, and from this point of view cast his eye northward. What will he see? Hundreds and thousands of acres of land, held out of use by mortgage companies, real estate syndicates and capitalistic corporations.

But this is the more obvious part of the illustration. What applies to the unoccupied land of the city applies with equal force to the occupied land of the city, every foot of land upon which its most valuable and costly buildings are erected—the Tegler building, the McLeod building, the Macdonald Hotel, and the Canadian Bank of Commerce.

CHAPTER XII

The Minimum Wage and Profit Motive

We frequently hear of a minimum wage being urged as an objective to be attained in industrial conditions.¹ An old proverb tells us that "the righteous man regardeth the life of his beast." If such a one, therefore, had a team of horses, a yoke of oxen, or a span of mules, he would feed them well and house them comfortably, or in other words, he would give them a "minimum wage." But does such an objective pay the compliment to human personality that Christ paid to it, when he answered the tempter, "Man shall not live by bread alone."

Or the compliment of Henry George when he wrote (P. and P., Bk. 2, C. 3) respecting what man had in common with the beast, "the desire for food, shelter, and reproduction," and then adds, "but here man and beast part company. The beast goes no farther. The man has but set his foot on the first step of an infinite progression—a progression upon which the beast never enters."

If our objective were a "just wage" instead of a "minimum wage" would we not find ourselves upon a higher plane of ethical investigation, than in seeking the attainment of a mere "minimum wage?"

Would not a maximum wage be much more in consonance with the Christian ideal? If not a sparrow falls to the ground without our Heavenly Father's knowledge, is not every incident, as well as every essential, of this present life within the precincts of that abundant Life which the Great Master came to bestow?

What suggestion then is there of the abounding Life in a minimum wage?

It is a mere insult to the name and memory of Jesus, and an utter travesty of the mind of Christ.

We are familiar with the wholesale denunciation of the so-called "profit motive" in the production and distribution of wealth, in connection with the presentation to political conventions and church conferences of resolutions insisting that all wealth be produced for "use" and not for "profit." Admitting for the moment the permissibility of the use of the word "profit," may we not ask ourselves what is wrong with the "profit motive?" Is not the increase of wealth, the acquisition of property, a legitimate and commendable objective? Is it not inseparably connected with economic development and social progress? Would not the proposers of such resolutions admit that there are profits, "just" as well as "unjust?" Is not the difference between the price at which a merchant sells his goods and buys them, provided he is not enjoying any unjust advantage, or monopolistic privilege in the market, a "just profit?" Or

rather, should we not cease using the word "profit" and speak of this difference as "wages" and "interest," that is, the increment to labor of mind and body, plus the increment to his invested capital? And such it is, for the very word "profit" would and should disappear from the nomenclature of economic discussion and literature.

We have already noted, in the beginning of this dissertation, the two types of individualism and their contrariety to each other as being due to the basis, theistic and atheistic, upon which they are operating. So, in the commercial and industrial world of today, there are so many opportunities for iniquitous investments that men are irresistibly tempted to overreach their fellow men, when and where the removal of such possibilities would extinguish this temptation.

And those who would categorize all wealth as Rent, Wages and Profits, are making as unscientific a classification as it would be to refer to a group of humanity as men, women, children, and human-beings, where the last term includes them all.

The desire for gain, the acquisitive instinct, is not evil in itself: the evil consists not in the use, but in the abuse, or rather the perversion of this natural, normal; and basic impulse.

Let us take an illustration from the realm of biology. The sex urge or attraction is natural and universal throughout the entire animal creation. Without it, there would not be a living creature on this planet within the period of one century. Is any moralist or social reformer going to tell us, that when this impulse gets out of bounds, as it does at certain times, and in certain places among human beings, and results in gross immorality and unbounded licence, that the remedy is the extinction of this God-given attraction?

For the religion of Jesus does not call for, nor insist upon, the suppression or extinction of any legitimate desire, but upon its purification and elevation through spiritual and moral discipline.

And similarly, with respect to the desire for gain, the acquisitive instinct, etc., in the commercial and industrial world, it is not to be extinguished, but guided into just and proper channels.

So when we have abolished that monopoly which is the basis of all other monopolies, the monopoly in Land, we have pulled the king bolt out of the so-called capitalistic system, and removed at the same time the keystone from the entire system of unjust profits. For every gamble that takes place on the Stock Exchange, from London to New York, is rooted in our system of land tenure, even as it is in Property in Land, that our capital and monied interests find the basis of their dominance and tyranny in the present day business world.

CHAPTER XIII

Ethics of the Socialist-Communist slogan examined.

At this point let us notice a much canvassed slogan of the Socialist and Communistic world—"To each according to his need and from each according to his ability."

For, notwithstanding the flare of altruism with which these dicta are proclaimed, and apart from any virtue which may attach to them in the realm of benevolence, these two pronouncements are but the expression of a debased and vicious philosophy. For the former, "to every man according to his need," very largely occupies the mind of every man who claims that the world owes him a living, who clamors to get on relief, and is not ashamed when he gets there. While the latter, "from every man according to his ability," is simply levying blackmail on the same principle as the old freebooters, when they plundered the rich and spared the poor, a principle or policy rather, obviously without moral content or propriety relative to the basic, social, and economic adjustments of human society and civilization.

For it is the failure or inability to perceive that a society based on social justice and economic righteousness, provides in the amplest measure possible for the needs of each and all in those inexhaustible resources of nature, which the Creator and Heavenly Father has given to all His children upon equal terms, that is responsible for the attractiveness of such slogans. And such a society will conserve for all time the inalienable right of every human being to be his or her own employer, and thus tend to promote their self respect and independence in the highest degree possible, while forestalling, at the same time, in many quarters, the self-flattering unction of the giver, as well as the obnoxious savor of the act, to the receiver of charity.

This is in perfect consonance with the teachings of Jesus. As Prof. Kent of Yale University observes ("The Social Teachings of the Prophets and Jesus," p. 238): "It is significant how small a place Jesus gave in His teachings to the subject of alms-giving." And further, "Like the earlier social teachers of His race, He sought to relieve and ultimately eliminate poverty by removing the underlying causes."

Our present day civilization may aptly be compared to a highwayman, who bludgeons his victim into unconsciousness, then plunders him, and makes a donation to the nearest hospital for his recovery and as a sop to his conscience.

As Tolstoy said (Land and Freedom, Jan. and Feb., 1937), "If you can afford to do so much for your poor, you must have robbed them pretty thoroughly first."

Now, while all such commendable enterprises as Jane Addams' Hull House, and the amelioration of slum conditions by the Salvation Army, are praiseworthy in the highest degree, all such efforts are dealing with results, not causes. They are efforts to efface the rash without curing the measles.

CHAPTER XIV

Is the machine to blame?

Again we are persistently told that the machine is responsible for unemployment. It would be vain to tell a man, ignorant of Physics, Geography and Astronomy, that the phenomenon of the rising sun was due to the motion of the ground upon which he was standing, and not to the movement of the sun itself. So it is not the machine that is responsible, in the slightest degree, for unemployment, but the sinister relation in which both men and machines stand to the ground which is their common support. It is the failure to conserve in our civilization, the inalienable right of every human being to be his or her own employer, which is responsible for every case of involuntary unemployment the world over.

Were our land not held on a speculative tenure, the meanest employee in the greatest manufactory would be as really his or her own employer, as if they were engaged in their own garden plot; and instead of men seeking jobs, it would be jobs seeking men.

If 500 or 1000 persons were standing or sitting comfortably in a large public hall, and a sudden convulsion of the earth were to tip up one side of the building to an angle of ten, fifteen or twenty degrees, would not the relation of everyone in that room be changed to everyone else? And would not contacts and conflicts arise, for which the only remedy would be a readjustment of the foundation to its original horizontal level? And would not such devices as price pegging, artificial stabilization of exchange, and managed currency be but propping up the other side and exposing the whole edifice to destruction by the first passing cyclone?

How great a strain must it impose upon much of our present day science, philosophy, and ethics, to recognize the common source of these seemingly far sundered phenomena, our cities full of unemployed men, with the children of these cities haunting the garbage heaps for crumbs of bread, and the floods which have devastated the lower reaches of the Ohio, the Missouri, and the Mississippi rivers!

For it is the atheistic basis of our civilization which denies the sovereign and proprietary right of the Creator to our natural resources, this speculative tenure of land, which has made possible and profitable the exploitation of urban suburbs by real estate syndicates, with millionaires at one end of the economic scale, and unemployed men and hungry children at the other, that has also made possible and profitable, iniquitously so, the exploitation of vast timber areas at the head waters of these rivers, the denudation of their forests and the destruction of the leafy screen, that would have held back the rains, and delivered them in their due season to the enrichment, instead of the destruction of these devastated regions. So that, instead of smiling valleys with their prosperous happy millions basking in the sunshine of Heaven's favor, we have the bleak and sullen ruin of desolated regions, with its incalculable loss of life and property, a spectacle to make the angels weep, and the devils rejoice.

CHAPTER XV

Does Rent enter into Price, or do wages determine the cost of Production?

Before inquiring as to what positive contribution Socialistic and Communistic philosophy has to make toward the solution of these problems, let us in passing consider the question, much canvassed in some quarters, as to whether or not "Rent enters into Price."

Now, if David Ricardo, in contemplating an ideal condition, promulgated the idea that Rent does not enter into Price, he was making a pronouncement respecting a fact which seems to be one of the most indisputable and incontrovertible facts of economic science.

Is there anything more apparent than that, with respect to every product of a secondary industry as distinguished from the products of the farm and mine, that every such product—a suit of clothes, for instance—is most cheaply produced and purchased in our great industrial centres, where population is densest, where labor is most efficient, and where the value and rent of land is higher than anywhere else within the industrial arena? Now let us transport the suit of clothes from the centre to the circumference of the industrial world, and its value and price will undergo an enhancement through every step of this process, until at the suburb of civilization, where the value and rent of land is nil, it will reach its maximum. Has the rent of land anything to do with this enhancement? Evidently not.

Now let us reverse the process, and begin with a bushel of wheat produced at the margin of cultivation, where there is no rent. During every step in the process of its transportation to the industrial centre of civilization, where its value will be greatest and its price highest, this enhancement in the value of the bushel of wheat will occur simultaneously with a rise in the rent of the land; yet surely the basis and source of the one is perfectly distinct and quite distinguishable from that of the other.

A simple illustration may assist at this point. Supposing a city block is on fire. It is presently surrounded by a cordon of firemen, and in due course the fire is extinguished. Now supposing that someone, in referring to the situation, should remark that as soon as the firemen trained their hose on the flame, the fire began to die down. Would this be a correct and complete statement of affairs? Evidently not. For had the firemen done nothing more than turn their hose in the direction of the fire, it never would have been extinguished until it died out of its own accord. But simultaneously with this movement of their hose, they released the water. Now while these two movements take place practically simultaneously,

and are inseparable from each other, relative to the result achieved, they are nevertheless distinct and distinguishable from each other.

The extinction of the fire was a temporal sequence relative to the training of the hose, but it was a logical sequence relative to the turning on of the water. The one was a sequence, the other a consequence. Similarly, the rise in rent and the rise in the price of wheat, while simultaneous, are quite distinct from each other.

The rent of land rises in the presence of an increasing population. The value and the price of wheat arise as the result of the impress of labor upon it, during the process of transportation from the circumference to the centre of civilization, just as every bushel of wheat shipped from Montreal to Liverpool is increasing in value, during every mile of the transatlantic voyage where there is no question of the rent of land.

But at this point, we must note two factors, which are common to the bushel of wheat and the suit of clothes in their respective processes of transportation. The one is the incidence and the effect of the innumerable taxes which are based upon the products of human industry; and the other, the unpredictable variations which may take place between the supply and demand, with reference to these products. And in the opinion of the writer, it is the turning of a closed or blind eye, like Nelson at Copenhagen, upon the former of these factors, while contemplating a simultaneous rise in rent and prices at any time and in any place, which is responsible for the delusion in some quarters of economic controversy, that economic rent enters into, or forms, a component part of price.

It is easy to see how David Ricardo, banker, broker, and land-owner, might be impelled to the practice of a certain subtle sophistry, in maintaining that rent did not enter into Price, while carefully suppressing any reference to the sinister fact in the situation, which was the diversion of rent into private channels.

To teach, therefore, that rent did not enter into price would be accepted as a vindication of the *status quo*, relative to the land question, and would serve to ingratiate Ricardo with the land-owning class to which he belonged, while the unreflecting mass of the people would be slow to perceive that this diversion of rent into private channels, this renunciation by the community, state, and government, of their just and proper source and basis of public revenue, compelled the alternative of laying innumerable taxes of all kinds upon the industry of the people.

For this delusion, that Rent enters into Price, is closely akin to the other, that the rate of wages is a determining element in the cost of production, or that a low rate or standard of wages means cheap production. Now, so far from this being the case, it is altogether otherwise. For everything else being equal, wealth is most cheaply produced, not where wages are lowest, but where wages

are highest; even as the Canadian harvest man in the prairie west, prior to the advent of the traction binder and the combine, received the highest wages in the world, while producing the wheat which entered freely into competition with, or undersold, all other wheat in the world's market.

For the advantage, or assumed advantage, which accrues to an employer in being able to force down wages, is an advantage which accrues to him, not as a producer of wealth, but as an employer of labor. For Adam Smith's dictum that, "Production is the mother of wages," is universally and invariably true.

And if every laborer is creating a fund out of which he, himself, is remunerated, and if wages are therefore the product or result of production, how in any logical or reasonable sense can wages be at once antecedent and consequent?

At this point there flashes upon the arena of economic activity, as by a special illumination, the glorious fact and possibility, that in a social and economic order based on Justice and Righteousness, with equality of opportunity to all, every employer and employee would be really and truly partners of the most brotherly kind in the production and distribution of any and every kind of wealth. And competition like Death, deprived of its sting (1 Cor. 15:55) would eventuate, simply, in the benign co-operation of a Christian civilization.

We hear much of the evils of our present day competitive system. Is it not a beautiful and suggestive comparison that Henry George institutes between the atmospheric pressure on our bodies and this competitive system? This atmospheric pressure, if operating only externally, would crush our bodies to jelly. But operating internally, as well as externally, these two forces are in perfect equilibrium. And not only are they in perfect equilibrium, their very existence and presence are indispensable conditions for the perfect functioning of every bodily activity. And similarly in the body economic, the present day competition in the business world, not unduly characterized as a "cut-throat" competition, would, if operating upon a basis of social and economic justice, be simply promotive of the general well-being, and like emulation in a class of students, would inure to the benefit of all.

CHAPTER XVI

The contribution of an atheistic Socialism to the solution of the problem versus the contribution of a Christian Socialism on an individualistic basis.

What does Socialistic and Communistic philosophy offer in solution of the problems which confront our present day civilization? State ownership or public property in all the means of production, and distribution, including, land and natural resources.

If so, this is but the phenomenon of an atheistic Socialism. There is an atheistic Socialism, and there is a theistic or Christian Socialism which is based on the teachings of Moses and the Hebrew prophets and Christ, Himself. And this theistic or Christian Socialism has an individualistic basis, and herein is Socialism and Individualism reconciled, for as the orbit of this earth is elliptical, so is the orbit of human industrial society, and the Individual is one focus, and Society is the other. Now Socialism is atheistic when it invests the State with a proprietary right in land or its natural resources, for in so doing it denies the proprietary right of God, the Creator, to the work of His hands, for "Creatorship affords the highest and most valid claim to proprietorship and Sovereignty." "The earth is the Lord's because he made it," and herein we have the ethical, sacred, and inviolable basis of private property as between man and man, in those things which are the products of human industry.

These two proprietary rights, that of God the Creator to the land, and that of every man to the products of his labor, would be denied by an atheistic Socialism. So in the Mosaic economy, the land was not the property of the individual, it was not the property of the family, it was not the property of the tribe, it was not the property of the nation, it was the property, and the property only, of Him who made it, that is the Creator of Heaven and earth.

And the concrete practical recognition of this principle forestalled the existence of a land mortgage on the one hand, and the perpetuity of debts on the other. For the prohibition of the sale of land, as the fundamental principle of the Hebrew tenure, precluded the possibility of the existence of a capital value with respect to land. It was a non-speculative tenure, and thus most effectively did it preclude the very existence, possibility, or necessity of a mortgage.

The fact that the Hebrews were settled in their land in a body, simultaneously as it were, and every man received his portion of the soil, made it possible for this simple arrangement of the prohibition of the sale of the land, held upon a non-speculative tenure to conserve for all time this status of the land, and to forestall

anything in the nature of a monopoly in the natural resources of the country.

This end will be attained in our present day civilization by the complete appropriation of economic rent for purposes of public revenue.

And it is not that this is an arbitrary device, having as its sole object the securing of revenue; for as has been pointed out in our discussion of the "usehold tenure," this is the natural, reasonable, and ethically correct basis of public revenue. And this annual rental value of land, apart from all improvements, simply represents the value which the community confers upon, or advances, to the individual and is thus a payment for value received on his part.

This method of thus raising revenue is perfectly in consonance with the Moral Law, and stands out in marked contrast with the questionable canon of taxation, that "each citizen should pay taxes according to his ability;" for such a dictum takes no cognizance of social and economic justice, or the methods by which ability may be acquired on the part of any citizen. It is simply a case of "catch where you can" and of "locking the stable door after the horse has been stolen," and is to this extent lacking in moral force and propriety.

Herein appears that to which we have already referred, the harmony and universality of Natural Law, together with the perfect consonance between a true Religion and a true Science.

An atheistic Socialism would vest the proprietary right to Capital, and all the means of production and distribution with their control and direction, in the State. Now, it is not the function of the brain, or the mind of a man, to inform the stomach, after a sumptuous repast, how much gastric juice will be required for its digestion. Neither is the pancreas, the liver, or the mesentery of a healthy man in need of enlightenment from such a source, with respect to their respective secretions; for these involuntary functions in the body of every healthy person are carried on with a precision and infallibility to which no intelligence of a man, or men, can lay claim.

CHAPTER XVII

Further vagaries and monstrosities

Similarly, therefore, in the economic and industrial world the assumption by the State of the ownership direction, and control of all the processes of production, exchange, and distribution of wealth, is simply a violation, not only of Natural Law but of the Moral Law, for it is an attempt to invest a Government, or a committee of a government, with an Infinite Intelligence which no group of men, does, ever has, or ever shall possess.

A French leader of the 18th century told the atheists of his time, that if they succeeded in destroying God, they would immediately have to make another.

"Order is Heaven's first Law," writes Alexander Pope (Essay on Man, Ep. 4), and in the foregoing congruity between Natural and Moral Law, appears the underlying orderliness of the Universe and the persistence of the Reign of Law. And to assert as some do, that there is no pure or true science of economics, is to profess the same kind of atheism that compelled Galileo, three hundred years ago, in the Chamber of the Inquisition, to profess, in effect, that the motion of the earth and planets was determined, not by those immutable laws which the Creator had given, but by Inquisitorial Decrees and Papal Bulls. For such an assertion, or acquiescence in such an assertion, is simply to admit that the Creator, the Sovereign Director of all things, has vacated the Throne of the Universe and turned over the realm of Sociology and Economics to the devil.

If "the proof of the pudding is in the eating," as the old proverb says, surely there is no evidence wanting in the condition of the Republic to the south of us, during the past three or four years of the hopeless confusion and helplessness to which such a philosophy, or rather lack of philosophy, inevitably leads. There, the wanton destruction of millions of bacon hogs, and of food grain, and of cotton fields, etc., in the presence of starvation and destitution, and millions of people in need of these things, has given to the world the most spectacular exhibition of idiocy, lunacy, and blasphemy, which the history and civilization of mankind has ever presented.

And I use the word "blasphemy" very advisedly. It originally meant to speak hurt, or insultingly of.

If a man's friends on his birthday were to present him with a costly present and a complimentary address, and he were to open the furnace door, in their presence, and fling them in, would it not be the grossest insult conceivable? So when in answer to the prayer, "Give us this day our daily bread," the Giver of all good opens the windows of heaven and pours out a portion abundantly sufficient for all, and we consign it to the flames or destroy it in some other way, is the offence of Christian America any less insulting or heinous in the sight of a Heavenly Father, who would have spared Nineveh because of its thousands of little children and much cattle, than was the offence of the Canaanites and Carthaginians, when they tossed their little children into the fiery arms of a blazing Moloch?

CHAPTER XVIII

John Spargos' renunciation of Socialism

In the Farm and Ranch Review of May 1, 1929, we have the renunciation of Socialism by John Spargo, from his boyhood one of the world's most prominent exponents of Marxian Socialism, as follows: "More than twenty years of my life were given to the advocacy of international Socialism and the work of upbuilding the Socialist movement. Today, I am thoroughly convinced that the Socialist philosophy is unsound, the Socialist programme dangerous, and the Socialist movement a mischievous illusion.

"As sincerely and earnestly as I formerly proclaimed Socialism to be the greatest hope of mankind, though with less energy and strength, I now proclaim my conviction that only disaster could result from a serious and comprehensive attempt to carry the Socialist program into effect. I want to set forth as clearly as I can the reasons, or at least the principal reasons, for this complete and radical change in my convictions. I want also to state with equal clarity the basis of my present hope and faith in the increasing progress and expanding well-being of mankind.

"Invariably, government ownership has proved less adaptable than private ownership, less capable of embracing new inventions and discoveries, and less free to make experiments.

"Where the sanction of councils or parliaments must be had before extensive changes can be made, it not infrequently takes years to reach decisions, which under private ownership would be reached in as many hours, or even minutes.

"Such tremendous progress as we have witnessed in the radio industry, for example, could not have occurred under government ownership. Heaven help the inventors of the new processes and devices where their adoption and use are dependent upon Congress!

"Moreover, government ownership and operation of industry cannot be established without creating an oppressive bureaucracy. That is the lesson taught by the universal experience of mankind. Even if it were possible to obtain greater efficiency through the substitution of government enterprise for the voluntary enterprise of individuals, the gain would be too costly, because it would involve, inevitably, the end of political freedom. Even if government ownership and operation could be shown to be superior to capitalistic enterprise in the adoption of improved methods, the elimination of friction and waste, and the constant and progressive readjustment of industry to meet new conditions and needs, it would be unwise to submit to the bureaucratizing of our Government in order to obtain these advantages.

"Wherever governments have gone into business, an alarming and dangerous extension of bureaucracy has resulted. In its turn, bureaucracy has resulted in the destruction of individual liberty, and the subjugation of the citizens to the needs and will of the government, instead of the subjugation of the government to the needs and will of the citizens."

CHAPTER XIX

Max Eastman re the Russian experiment and the question of Sovereignty

Equally interesting, in an excerpt from Harper's Magazine in the "Readers' Digest," April 1937, Max Eastman, translator of Trotsky's History of the Russian Revolution, under the caption, "The End of Socialism in Russia," writes: "It is a strange and sad experience for one who has lived through these twenty-five years as a Marxian socialist, to see the Soviet regime drop overboard, one by one, every vestige of Socialism, until now there is no hope left for a classless society in Russia." And further, In 1935 Stalin's government issued a decree, which made the death penalty for theft—adapted for adults three years before—applicable to minors from the age of 12. Stalinists explained "that under Socialism, children are so well educated that they are fully responsible for their acts."

In view of such a decree, one blushes to recall that according to Marxian theory, the state as an "instrument of compulsion" was supposed to "die away" with the triumph of Socialism.

"I have never myself been a sufficiently orthodox and gullible Marxian to believe in the happy legend of how men, once wealth producing property is owned in common, will find themselves living together in natural co-operative brotherhood as angels live. I have been keenly aware, however, that in the proposed new society, the location of the sovereignty is the supreme political question, and that if power is permanently shifted from the rank and file of the working class, and self-supporting peasants, organized in freely arguing and democratically controlled institutions, to a privileged and bureaucratic ruling caste, the experiment in Socialism will not last long. This shift of sovereignty reached its culmination in the new "democratic" constitution, which is nothing but a sweeping out of the workers' rule, to make way for a totalitarian state, not in essence different from that of Hitler and Mussolini."

And further, with reference to the ultimate issue as it has evolved in the U.S.S.R., he states, "The real state is now nothing but a pyramid of bureaucrats under Stalin, who will operate this unwieldy "parliamentary" monster and make it produce voters at will."

CHAPTER XX

True Sovereignty where located, with conclusion.

With respect to Sovereignty, Max Eastman is right: the location of this sovereignty is the supreme question.

And this sovereignty must be located not in the 'demos,' nor with the "demos," which has proved itself to be in every age of the world's history as fickle, as despicable, and as tyrannous a despot as any Shah, Sultan, or Czar, that ever lived.

For this sovereignty must be located in and with Him, of Whom the Psalmist has written, "Justice and Judgment are the habitation of thy throne: Mercy and Truth shall go before thy face (Ps. 89:14). Or as the poet: "Who sees with equal eye, as God of all. A hero perish, or a sparrow fall." Or as the same poet has written again, and more fully—

"That changed through all, and yet in all the same:
Great in the earth, as in the ethereal frame,
Warms in the sun, refreshes in the breeze,
Glowes in the stars, and blossoms in the trees,
Lives through all life, extends through all extent,
Spreads undivided, operates unspent.
Breathes in our soul, informs our mortal part,
As full, as perfect, in a hair as heart,
As full, as perfect in vile man that mourns,
As the rapt seraph, that adores and burns.
To Him on high, no low, no great, no small;
He fills, he bounds, connects, and equals all."

(Essay on Man, Ep. 1, Alexander Pope.)

To the truly scientific mind, there is neither element, feature, nor constituent, in the industrial society of a machine age, as we know it today, that did not exist in germ, in that first of all industrial operations of which we have any record, when Father Adam and Mother Eve sewed fig leaves together to make their first suit of clothes.

For the poet who wrote, "The Truth that has lasted a million years, is good for a million more," was a true scientist, a true philosopher, and a true economist.

For written upon every page of human history and civilization, with the point of a diamond, ineffacable, and ineradicable, as eternally true, and as imperatively valid in Edmonton and Alberta today as in Jerusalem and Judea three thousand years ago, are the words, "The land shall not be sold for ever, for the land is mine" (Leviticus 25:23), saith the Lord.

